Impact of private airlines on Indian Airlines

*676. SHRI SURESH PACHOURI: SHRI JAGIR SINGH DARD:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) the market share captured by private operators operating air-taxis in the country;

(b) the impact of these private air taxi operators on Indian Airlines; and

(c) how far the Indian Airlines has geared itself to face the competition from these private operators?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) During the year 1994-95, private operators have accounted for 36.6 per cent of the total domestic traffic.

(b) The market share of Indian Airlines in the domestic traffic has come down from 99.5 per cent in 1991-92 to 63.4 per cent in 1994-95.

(c) Indian Airlines has taken the following measures to meet the challenges of competitive environment:—

(i) Improvement in passenger service both on ground and air;

(ii) Improvement in quality of food service on aircraft;

(iii) Introduction of Executive Class in A-320 aircraft;

(iv) A number of incentives/concessions introduced for customers/agents;

(v) Improvement in the Refund Rules and waiving of cancellation charges;

(vi) Setting up of sales forces to generate more business;

(vii) Tie-up with Air India in several areas;

(viii) Improved on time performance;

Holding of UTI in ITC Limited

*677. SHRI GUNDAPPA KORWAR: Will the Minister of FINANCE be pleased to state:

(a) what is the holding of UTI in ITC Ltd;

(b) what is the face value of equity holding of UTI in ITC Ltd; and

(c) what is the present day market value of such holding of UTI in this unit?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) UTI has reported that it held 3.37 crore shares in ITC Ltd. as on 31-03-1995.

(b) The face value of UTI's holdings in ITC Ltd. is Rs. 33.7 crores.

(c) The market value of UTI's equity holdings was Rs. 780.08 crores as on 17-5-1995.

Financial Institutions raising liquidity by off loading equity

*678. SHRI YERRA NARAYANASWAMY: Will the Minister of FINANCE be pleased to state:

(a) whether Government will constitute a high level committee to study the possibility of financial institutions raising liquidity by off loading equity;

(b) whether it is a fact that equity holdings of domestic financial institutions lock up huge volume of funds; and

(c) the steps proposed to unlock funds held in equity form by Industrial Development Bank of India and such financial institutions?